

Pinellas Plant

Lessons Learned And Next Steps

Interviews conducted with the various site personnel at the Pinellas Plant regarding community transition and commercialization efforts have yielded the following conclusions:

Lessons Learned

- Strong leadership is required by the DOE area office, which should be given adequate authority, ample funding, and the ability to make rapid decisions. This leadership needs to be flexible, adaptive, and resilient to changing circumstances. While no one person can handle all things, there must be a clear DOE/M&O point of contact with the CRO.
- The person selected to lead a DOE Alternate Use program must have (1) thorough knowledge of the facility; (2) superior communications skills; (3) a legal background to create arguments and documents without the benefit of models, templates, precedent, etc.; (4) the ability to think "out of the box"; and (5) environmental sensitivity.
- Local DOE representatives must be familiar with specific administrative requirements that each community implementation organization will need to establish. For instance, it may be useful for DOE to fund and select M&O representatives to assist the community with these requirements, but the DOE Area Office should be in charge of community relations and interfacing with local officials -- not the M&O.
- In like manner, the M&O should not be in charge of implementing an Alternate Use program, even if DOE encourages it to participate in the effort. In a worst case scenario, DOE and an independent corporation that can hold title can effectively implement an Alternative Use program without the support of the M&O.
- Overall, DOE must drive the process because large M&O companies do not have the requisite commitment to site conversion and sustainable economic development. These companies are primarily concerned with a return on investment for the near-term, whereas conversion is a long-term proposition. A major lesson learned is that DOE is able to respond faster than the M&O and the community.

- Clearly defined parameters must be drawn regarding what the DOE Area Office management wants to do and is willing to do. DOE local representatives responsible for alternate use and communication with the community must understand contractual and legal authorities related to alternate use.
- The ability of a DOE representative to discuss what can and cannot be accomplished will help the community understand the boundaries within which an effective alternative use program can be developed. In general, do not tell the community what to do — but establish appropriate procedures to tell them what DOE is willing to do and encourage the CRO to address those issues.
- Unified local political leadership is particularly crucial in order to avoid turf wars between city, county, state or other competing interests. It may be advisable in some circumstances for DOE officials to ask the local representative in Congress to assist in identifying appropriate community and business leaders. In any event, strategic plans for the site should be developed within a partnership between the DOE and local community leadership.
- CROs must be formed to meet DOE's policy requirement to establish mechanisms for stakeholder involvement in land and facility reuse and future-use decisions. Any successful Alternate Use program must be developed jointly by the DOE and the local community — a process which requires extensive outreach to the community and respected local leadership.
- Fair and frequent opportunity to be heard is crucial. Accordingly, DOE proceedings should be as transparent as possible, including consistent scheduling of open public meetings for all local interests — keeping in mind that there may sometimes be a conflict between the concept of open participation/stakeholder involvement and the need to reach downsizing/closure agreements which typically are not accomplished in an open forum.
- The CRO organizational structure should include a chair who is a highly respected member of the business community and represents the broader community, as opposed to someone focused on local or self-serving interests.
- The CRO chair must have high standards of accountability, as well as a reputation for fairness. With the active involvement of the DOE Area Manager, the CRO chair must be willing to do the work and spend the time necessary to develop the process. In addition, on-site presence by the CRO has been shown to be effective in helping direct the effort and interface with political leadership.

- DOE should be very proactive and vocal in communicating efforts made to mitigate the impact of closure of DOE facilities. DOE has not taken a "leave and close the door" approach to the task, and a positive communications package should be developed which portrays the efforts made -- and results achieved -- in finding alternative uses.
- It is advisable to develop a creative advertising campaign to communicate a facility's potential capabilities to outside commercial markets. This may demand patience, because of the time required to foster potential business relationships.
- Whenever possible, use cooperative agreements, instead of grants, which will promote stronger commitment from business partners, as well as improve the opportunity to establish partnerships with involve employees or organizations.
- Jobs are a key element when evaluating economic development strategies, including job creation, job retention, and job attraction. The primary aim of an Alternate Use strategy must be to achieve development which creates sufficient employment which matches the existing skill base and offsets the loss of DOE jobs at the site.

Next Steps

Based on the above lessons learned, next steps should include:

- gathering, reviewing, and understanding all enabling legislation, DOE policy statements, and other federal, state and local requirements governing alternative use;
- developing and receiving delegation of authority for the administration of grants and cooperative agreements;
- developing program management tools, including procedures on resource management and asset transfer. In general, contract and finance people will be needed to review cooperative agreements and grants with respect to requirements and legal issues;
- establishment of an economic development effort which includes the following types of individuals and considerations: (1) local DOE involvement and commitment; (2) CRO representation which is diversified, but unified; (3) M&O employee, skills, technologies representation; (4) facility and equipment knowledge; (5) location/demographics; and (6) vision -- agreement and goals;

- sorting out roles and responsibilities early in the process. Factors to consider include: (1) looking for risk-taking individuals; (2) determining the appropriate role of the M&O; (3) generating support from the Area Office; (4) recruiting leadership that is recognized and respected by the community; and (5) establishing proper union roles;
- completion of a cost/benefit analysis which evaluates various options regarding how the facilities will be transitioned from DOE to private sector use. This may help identify the problems areas and reach solutions. For example, property transfer is often the DOE's biggest problem between economic development and the bureaucracy. Due to federal property management requirements, the DOE may be forced into an extensive and time consuming process to survey and monitor areas that are very extensive and high-cost relative to the benefit/reduction in potential liability. Under some circumstances, DOE would be better off letting the CRO have a fire sale. Be that as it may, a revenue scheme needs to be formulated to allow creation of a win-win circumstance for all concerned;
- development of procedures for cleaning up equipment and facility areas identified for alternative use by: (1) walking through the area and noting questions regarding potential contamination or unknowns that may present health and safety hazards; (2) cleaning up the area and disposing of property; (3) conducting sampling to confirm the presence or absence of radioactivity or hazardous contamination, and certifying that it conforms to accepted standards; and (5) ensuring that DOE issues a Final Acceptance Document;
- clearly defining appropriate roles for the M&O in working with the community organization and developing a procedure to allow the M&O contractor to use excess assets and address the fairness-of-opportunity questions arising from business interests in the contract competition process;
- understanding and documenting the impact/benefit of the "no alternative use" option, as well as the various alternate use options;
- documenting the reason for each major decision, based on cost, savings, or some other benefit to the DOE;
- establishing a screening committee to review technology commercialization proposals and seeking more productive use of government funds; and
- seeking the additional advice and counsel which may be necessary because the "devil is in the details" when developing and implementing changes and processes as complex as an alternate use plan.